

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)	Order D-2002-78
)	
OREGON AUTOMOBILE)	
INSURANCE COMPANY,)	CONSENT ORDER
)	
An Authorized Insurer)	
)	
)	

FINDINGS OF FACT:

1. Oregon Automobile Insurance Company holds a certificate of authority which was duly and properly issued by the Washington State Insurance Commissioner. Oregon State Automobile Insurance Company is therefore governed by the provisions of Title 48 RCW, the Insurance Code.
2. RCW 48.05.250 provides that each authorized insurer shall annually, before the first day of March, file with the Commissioner a true statement of its financial condition, transactions and affairs as of the thirty-first day of December preceding.
3. Oregon Automobile Insurance Company did not file with the Commissioner a true statement of its financial condition, transactions and affairs as of the thirty-first day of December, 2001, by March 1, 2002.
4. A letter dated March 14, 2002 was sent to Oregon Automobile Insurance Company, notifying it of its failure to timely file the annual statement required by RCW 48.05.250. The letter requested a response by April 5, 2002, pursuant to WAC 284-30-650, explaining the legal reason, if any, why the insurer's failure to file its annual statement by March 1, 2002, should not be referred for disciplinary proceedings as authorized by RCW 48.05.250(3). No written response was received until April 8, 2002. The only reason given for the failure to timely file the annual report was an "unanticipated delay", which does not excuse Oregon Automobile Insurance Company from the responsibility of complying with RCW 48.05.250.
5. In addition, Oregon Automobile Insurance Company also failed to timely file its annual report for the year 2000 by not later than March 1, 2001. As a result, the Commissioner issued Consent Order D-2001-67 to Oregon Automobile Insurance Company. That Order fined the Company Two Hundred Fifty Dollars and suspended an

additional amount of Seven Hundred Fifty Dollars on condition that Oregon Automobile Insurance Company comply with certain conditions specified in the Conditions Section of Consent Order D-2001-67. One of these was that "Oregon Automobile Insurance Company shall file the statement required by RCW 48.05.250 for the year ending December 31, 2001 no later than the last day of February, 2002."

CONCLUSIONS OF LAW:

1. By failing to file with the Commissioner before March 1, 2002, a true statement of its financial condition, transactions and affairs as of the thirty-first day of December, 2001, Oregon Automobile Insurance Company violated RCW 48.05.250.
2. This failure to timely file its 2001 annual report before March 1, 2002, Oregon Automobile Insurance Company also violated the condition it agreed to in Consent Order D-2001-67. According to the terms of that Order, this made Oregon Automobile Insurance Company liable to the imposition of a fine of Seven Hundred Fifty Dollars, which had been suspended by that Order.
3. By failing to respond timely to the letter of March 14, 2002, Oregon Automobile Insurance Company violated WAC 284-30-650.

CONSENT TO ORDER:

Oregon Automobile Insurance Company hereby admits to the foregoing Findings of Fact and Conclusions of Law. Oregon Automobile Insurance Company acknowledges its duty to comply with all applicable laws and regulations of the State of Washington.

The Commissioner has offered a settlement in lieu of suspending or revoking Oregon Automobile Insurance Company's certificate of authority pursuant to RCW 48.05.250(3). Oregon Automobile Insurance Company accepts the proposed settlement, in lieu of further proceedings in this matter.

By agreement of the parties, the Commissioner will impose a fine of \$750 on Oregon Automobile Insurance Company for the violations set forth herein, and in lieu of further proceedings for the failure to timely file its 2001 annual report, and for its failure to respond timely to the letter of March 14, 2002.

EXECUTED AND AGREED this 9th day of May, 2002.

OREGON AUTOMOBILE INSURANCE CO.

Typed Name: _____

Typed Corporate Title: _____

ORDER:

Pursuant to RCW 48.05.185, the Insurance Commissioner hereby imposes a fine of \$750.00 upon Oregon Automobile Insurance Company. This fine must be paid in full within thirty days of the date of entry of this Order. Failure to pay this fine timely and in full shall constitute grounds for revocation of the certificate of authority held by Oregon Automobile Insurance Company in the state of Washington, and for recovery of the fine of \$750.00 in a civil action brought by the Attorney General of Washington on behalf of the Insurance Commissioner.

ENTERED AT OLYMPIA, WASHINGTON, this 28th day of May, 2002.

MIKE KREIDLER
Insurance Commissioner

By: _____
James T. Odiorne,
Deputy Insurance Commissioner
Company Supervision